

BUDGET MEETING MONDAY, SEPTEMBER 11, 2006

The following represents the actions taken by the Austin City Council in the order they occurred during the meeting. The City Council of Austin, Texas, convened in a special meeting on Monday, September 11, 2006 in the Council Chambers of City Hall, 301 W. 2nd Street, Austin, Texas.

Mayor Wynn called the Council Meeting to order at 11:40 a.m.

Budget-Fiscal Year 2006-2007

1. Approve an ordinance adopting the Operating Budget for Fiscal Year 2006-2007, beginning on October 1, 2006, and ending on September 30, 2007.

Ordinance No. 20060911-001 adopting and approving the Operating Budget for the fiscal year beginning on October 1, 2006 and ending on September 30, 2007 and making appropriations for each department, project and account, including the errata, was approved on Council Member Cole's motion, Mayor Pro Tem Dunkerley's second on a 7-0 vote with the following amendments:

The General Fund revenue and expenditures for operating requirements were approved as amended below:

The motion to amend the Proposed Budget by increasing property tax revenue by \$9,343,270, (which will come from the adoption of the tax rate of 41.26 cents per \$100 valuation – see item 3 below) was approved on Mayor Pro Tem Dunkerley's motion, Council Member Leffingwell's second on a 7-0 vote.

The motion to amend the Proposed Budget of the Emergency Medical Services Department by appropriating \$995,386 and adding 15 FTEs for the recruitment and development of future paramedics and to strengthen supervisory oversight of the current workforce was approved on Council Member Leffingwell's motion, Council Member Martinez' second on a 7-0 vote.

The motion to amend the Proposed Budget of the Municipal Court by appropriating \$36,534 and adding 1 court clerk assistant to cover increased customer demand at substations was approved on Mayor Pro Tem Dunkerley's motion, Council Member Leffingwell's second on a 7-0 vote.

The motion to amend the Proposed Budget of the Austin Fire Department by appropriating \$100,000 to accelerate the replacement of protective bunker gear was approved on Mayor Pro Tem Dunkerley's motion, Council Member Kim's second on a 7-0 vote.

The motion to amend the Proposed Budget of the Austin Police Department by appropriating \$479,200 and adding 9.5 civilian FTEs to support crime detection and juvenile services was approved on Council Member McCracken's motion, Council Member Martinez' second on a 7-0 vote. This will help free up additional patrol hours, increase officer time on the street and improve response time for citizens who report property crime. This additional staff will also address the

backlog of fingerprinting and managing of APFIS (Automated, Palm and Fingerprint Identification System), and add valuable assets to the recently accredited forensics lab.

The motion to amend the Proposed Budget of the Public Safety and Emergency Management Department by appropriating \$143,000 and adding 3 officers to provide additional resources for lake patrol and enhancing officer safety was approved on Mayor Pro Tem Dunkerley's motion, Council Member Cole's second on a 7-0 vote.

The motion to amend the Proposed Budget of the Health and Human Services Department by increasing appropriations in the amount of \$419,451 and increasing the General Fund transfer to the Sustainability Fund in the amount of \$123,433 for a total amount of \$542,884 for existing social services contracts was approved on Council Member Leffingwell's motion, Council Member Cole's second on a 7-0 vote. This represents a 3.5 percent increase over the current proposed budget.

The motion to amend the Proposed Budget of the Health and Human Services Department by appropriating \$275,000 to establish a second day labor site in south Austin was approved on Council Member Kim's motion, Council Member Cole's second on a 7-0 vote.

The motion to amend the Proposed Budget of the Health and Human Services Department by appropriating \$155,121 and adding 1 FTE to expand outreach and education to reduce the euthanasia of lost or abandoned pets at the animal shelter was approved on Council Member Kim's motion, Mayor Pro Tem Dunkerley's second on a 7-0 vote.

The motion to amend the Health and Human Services Department's performance measure of "98% of reported graffiti cleaned up within 30 days" to "100% of graffiti visible to the public will be removed within 48 hours except for all gang-related graffiti visible to the public which will be removed within 24 hours" was approved on Council Member McCracken's motion, Council Member Cole's second on a 7-0 vote. The City Manager was directed to report to the Council once each six months at a public, regularly called meeting of the Austin City Council, on whether the City is achieving compliance with Council policy. If current procedures, practices and budget appropriations are not resulting in the City complying with Council policy, then during the public report, the City Manager shall provide an action plan and recommendations to the City Council on steps needed to bring the City into compliance with Council policy.

The motion to amend the Proposed Budget of the Neighborhood Planning and Zoning Department by appropriating \$332,864 and adding 5 FTEs to incorporate an advance team, facilitation and a transition team for the implementation of neighborhood plans was approved on Council Member Kim's motion, Council Member McCracken's second on a 7-0 vote.

The motion to amend the Proposed Budget by increasing the General Fund transfer to the Neighborhood Housing and Community Development Department in the amount of \$1,200,000 to provide funding for affordable housing programs affected by reductions in federal grant funding was approved on Council Member Cole's motion, Mayor Pro Tem Dunkerley's second on a 7-0 vote.

The motion to amend the Proposed Budget by increasing the General Fund transfer to the Neighborhood Housing and Community Development Department in the amount of \$50,000 for the Urban League's emergency home repair program was approved on Council Member Cole's motion, Council Member Kim's second on a 7-0 vote.

The motion to amend the Proposed Budget by increasing the General Fund transfer to the Support Services Fund and increasing appropriations in the Office of the City Auditor in the amount of \$94,733 and adding 1 FTE and converting a temporary position to regular status for the purpose of

conducting revenue audits was approved on Council Member Kim's motion, Council Member Dunkerley's second on a 7-0 vote.

The motion to amend the Proposed Budget by increasing transfers out from the General Fund to the Transportation Fund by \$2,000,000 to provide additional funding for street maintenance to increase the percent of lane miles maintained annually from 8% to 9% was approved on Council Member Kim's motion, Mayor Wynn's second on a 7-0 vote.

The motion to amend the Proposed Budget by appropriating \$503,672 for various General Fund departments and increase the General Fund transfer to the Support Services Fund in the amount of \$12,735 to increase appropriations of various Support Services Fund departments for a total of \$516,407 to begin a basic bilingual program for Spanish only and for sign language starting on the pay period beginning January 21, 2007 was approved on Council Member Martinez' motion, Council Member Cole's second on a 7-0 vote.

The motion to amend the Proposed Budget by increasing transfers to the Neighborhood Housing and Community Development Department CIP Budget in the amount of \$1,000,000 to provide funding for the City's contribution toward a single room occupancy facility as part of the mental health initiative was approved on Council Member Leffingwell's motion, Council Member Cole's second on a 7-0 vote.

The motion to amend the Proposed Budget by increasing the General Fund transfer to the Support Services Fund and increasing appropriations in the Financial and Administrative Services Department in the amount of \$36,000 to provide additional funding for marketing related to independent business outreach and development was approved on Mayor Pro Tem Dunkerley's motion, Council Member Martinez second on a 7-0 vote

The motion to amend the Proposed Budget of the Health and Human Services Department by appropriating \$50,000 to provide additional funding for sickle cell anemia was approved on Council Member Cole's motion, Council Member Kim's second on a 7-0 vote.

The motion to amend the Proposed Budget of the Austin Fire Department by appropriating \$33,000 to provide funding for the Travis County Fire Academy was approved on Council Member Martinez' motion, Council Member Leffingwell's second on a 7-0 vote.

The motion to amend the Proposed Budget of the Austin Public Library by appropriating \$42,099 and adding an exhibit specialist at the Austin History Center was approved on Mayor Pro Tem Dunkerley's motion, Council Member McCracken's second on a 7-0 vote.

The motion to amend the Proposed Budget by increasing the transfer to Neighborhood Planning and Zoning Department CIP program by \$200,000 to provide additional funding for the Downtown Master Plan on Council Member McCracken's motion, Mayor Wynn's second on a 7-0 vote.

The motion to amend the Proposed Budget by transferring out \$186,000 to the Softball Fund to allow the reduction of softball program fees from the highest current per team fee of \$378 to \$300 and lowering all other softball league fees by the same amount of \$78 was approved on Council Member Martinez' motion, Mayor Wynn's second on a 7-0 vote.

The motion to amend the Proposed Budget of the Parks and Recreation Department by increasing appropriations in the amount of \$100,000 for the AISD Metz HOSTS (Helping One Student To Succeed) Program was approved on Council Member Martinez' motion, Council Member Kim's second on a 7-0 vote.

The motion to amend the Proposed Budget by increasing transfers out to the Support Services Fund and appropriating \$150,000 in the Financial and Administrative Services Department (FASD) for participation in the Austin Technology Wireless Incubator Program was approved on Council Member McCracken's motion, Council Member Leffingwell's second on a 7-0 vote.

The motion to adopt the following policy on economic development was approved on Council Member McCracken's motion, Mayor Pro Tem Dunkerley's second on a 7-0 vote. The economic development policy of the City of Austin shall be expanded to include a fourth element: emerging technologies. Economic Growth and Redevelopment Services' new focus on emerging technologies shall include economic development policies and initiatives for biotech, digital convergence, digital media, film, nanotechnology, technology commercialization, video games and wireless, and collaboration on economic development initiatives carried out in other departments, such as clean energy with Austin Energy.

The motion to amend the Proposed Budget by increasing transfers to the Support Services Fund and appropriating \$30,000 in the Financial and Administrative Services Department to increase funding for Grants for Technology Opportunities (GTOP) was approved on Council Member Leffingwell's motion, Council Member McCracken's second on a 7-0 vote.

The motion to amend the Proposed Budget of the Parks and Recreation Department by increasing appropriations in the amount of \$100,000 and adding 2 FTEs for enhancing tree maintenance on City owned property was approved on Council Member Leffingwell's motion, Council Member McCracken's second on a 7-0 vote.

The motion to amend the Proposed Budget by transferring \$100,000 to the Town Lake Hike and Bike Trail Lighting CIP Project in the Parks and Recreation Department to provide lighting along the trail was approved on Council Member Martinez' motion, Mayor Wynn's second on a 7-0 vote.

The motion to amend the Proposed Budget by appropriating \$80,258 for various General Fund Departments and increase transfers to the Support Services Fund in the amount of \$24,784 to increase appropriations in various Support Services Fund departments for a total of \$105,042 to provide additional funding to reward exceptional employee performance was approved on Council Member Cole's motion, Council Member Kim's second on a 7-0 vote. The City Manager was directed to find a way to increase the amount for employee recognition from this 25% increase to 35% in the next budget including the possibility of creating two tiers of awards.

The motion to amend the Proposed Budget by increasing the General Fund transfer to the Support Services Fund and appropriating \$200,000 in the Office of the City Auditor to solicit, negotiate, and execute a contract with consultants having expertise in public safety operations and administration for the purpose of conducting an independent assessment of public safety in the City of Austin was approved on Council Member McCracken's motion, Council Member Martinez' second on a 7-0 vote.

The motion to amend the Proposed Budget of the Public Safety and Emergency Management Department by appropriating \$90,000 and adding 2 marshals to provide adequate back-up when serving warrants was approved on Council Member Cole's motion, Council Member Martinez' second on a 7-0 vote.

The motion to amend the Proposed Budget of the Austin Public Library by adding 5 custodial positions to bring the cleaning of branch libraries under the direct supervision of library facilities management was approved on Mayor Pro Tem Dunkerley's motion, Council Member McCracken's second on a 7-0 vote. These services were previously provided by an outside contractor, thus no additional funding is needed.

The motion to amend the Proposed Budget by transferring 1 position and \$90,860 from the Austin Police Department to the Health and Human Services Department for project outreach was approved on Mayor Pro Tem Dunkerley's motion, Council Member Cole's second on a 7-0 vote. There is no fiscal impact to the General Fund.

The motion to amend the Proposed Budget of the Austin Police Department by adding 1 forensic chemist in the amount of \$88,700 to be funded by Travis County to address all County cases on a priority basis was approved on Council Member Cole's motion, Council Member Leffingwell's second on a 7-0 vote. Fiscal impact to the department is zero.

The following Other Fund Amendments were approved on Council Member Martinez' motion, Council Member Leffingwell's second on a 7-0 vote.

- Amend other fund expenditures, authorized positions and transfers to reflect amendments approved for the General Fund.
- Amend the Austin Energy Fund Operating Budget by appropriating \$1,996,603 from the ending fund balance and adding 26 FTEs for Electric Service Delivery to improve cycle time and focus on customer service delivery.
- Amend the Fiscal Year 2006-2007 Proposed Budget of the Parks and Recreation Department Softball Fund by reducing revenue in the amount of \$186,000 to reflect a reduction in fees being charged for league play.
- Amend the Fiscal Year 2006-2007 Proposed Budget of various enterprise departments by appropriating an additional \$175,280 to provide additional funding to reward exceptional employee performance.
- Amend the Fiscal Year 2006-2007 Proposed Budget of the Public Works Department Capital Projects Management Fund by adding 5.0 FTEs and supplies in the amount of \$465,000 for work on the Austin Clean Water Program. Expenses will be charged to existing Austin Water Utility CIP projects; therefore, there is no fiscal impact to the Capital Projects Management Fund.
- Amend the Fiscal Year 2006-2007 Proposed Budget of various departments in the amount of \$110,370 to begin a basic bilingual program for Spanish only and a signing program with the pay period beginning on January 21, 2007.
- Allocate additional funding of \$50,000 for the Community Tax Centers. Funding is available in the Fiscal Year 2006-2007 Proposed Budget of the Austin Energy Department, Economic Growth and Redevelopment Services Office.
- Amend the Fiscal Year 2006-2007 Proposed Budget of Austin Energy by increasing appropriations in the amount of \$1,000,000 and reducing the department's ending balance by the same amount for tree maintenance, the completion of a tree inventory and to conduct a regrowth study, among other task force recommendations.
- Allocation \$1,000,000 funding for the Holly Good Neighbor Program, included in the Austin Energy proposed budget in the following manner:
 - \$550,000 NHCD Home Rehab
 - \$100,000 APD Walking Beat
 - \$50,000 After School Program
 - \$50,000 Grant Writer for Non-Profits
 - \$50,000 CIP Projects
 - \$100,000-Cultural Arts
 - \$100,000 Grants Assistance Program

The following amendments to the Special Revenue Fund were approved on Mayor Pro Tem Dunkerley's motion, Council Member Kim's second on a 7-0 vote. These represent grants awarded to the City after the submittal of the proposed budget.

- Amend the Fiscal Year 2006-2007 Proposed Budget of the Library Special Revenue Fund by increasing appropriations in the amount of \$6,000 for the National Film Preservation Foundation Partnership grant.
- Amend the Fiscal Year 2006-2007 Proposed Budget of the Library Special Revenue Fund by increasing appropriations in the amount of \$20,000 for a total of \$420,000 and adding 0.5 FTEs for the Interlibrary Loan grant.
- Amend the Fiscal Year 2006-2007 Proposed Budget of the Human Resources Department Special Revenue Fund by increasing appropriations in the amount of \$47,000 to a total amount of \$329,000 for the HUD Fair Housing Act compliance grant.
- Amend the Fiscal Year 2006-2007 Proposed Budget of the Police Special Revenue Fund by \$100,000 for the COPS Technology grant.
- Amend the Fiscal Year 2006-2007 Proposed Budget of the Police Special Revenue Fund by increasing appropriations in the amount of \$15,000 for the Enforcing Underage Drinking Laws grant.
- Amend the Fiscal Year 2006-2007 Proposed Budget of the Health and Human Services Department Special Revenue Fund by increasing appropriations in the amount of \$33,000 for a total of \$228,000 and adding 0.5 FTEs for the Refugee Health Grant.
- Amend the Fiscal Year 2006-2007 Proposed Budget of the Parks and Recreation Department Special Revenue fund by increasing appropriations in the amount of \$9,000 for a total amount of \$58,000 for the Kids Café Grant.
- Amend the Fiscal Year 2006-2007 Proposed Budget of the Health and Human Services Department Special Revenue Fund by increasing appropriations in the amount of \$9,000 for a total amount of \$940,000 for the Housing Opportunities for Persons with AIDS grant.
- 2. Approve an ordinance adopting the Capital Budget for Fiscal Year 2006-2007, beginning on October 1, 2006, and ending September 30, 2007.

Ordinance No. 20060911-002 adopting and approving the Capital Budget for the fiscal year beginning on October 1, 2006 and ending on September 30, 2007 and making appropriations for each department, project and account, including the errata, was approved on Council Member Cole's motion, Mayor Pro Tem Dunkerley's second on a 7-0 vote with the following amendments:

The motion to amend the Fiscal Year 2006-2007 Proposed Capital Budget of the Parks and Recreation Department by appropriating \$100,000 for the Town Lake Hike and Bike Trail Lighting Project was approved on Council Member Martinez' motion, Mayor Wynn's second on a 7-0 vote. Funding in the amount of \$100,000 is provided by a transfer from the General Fund.

The motion to amend the Fiscal Year 2006-2007 Proposed Capital Budget of the Neighborhood, Planning and Zoning Department by appropriating \$200,000 for the Downtown Austin Plan was approved on Council Member McCracken's motion, Mayor Wynn's second on a 7-0 vote.

The motion to amend the Fiscal Year 2006-2007 Proposed Capital Budget of the Neighborhood Housing and Community Development Department by appropriating \$1,000,000 for the City's contribution toward a single room occupancy facility as part of the mental health initiative was approved on Council Member Leffingwell's motion, Council Member Cole's second on a 7-0 vote.

- 3. Approve an ordinance adopting and levying an Ad Valorem Tax rate for the City of Austin for Fiscal Year 2006-2007.
 - Ordinance No. 20060911-003, increasing property taxes by the adoption of a tax rate of 41.26 cents per \$100 valuation, was approved on a roll call vote Mayor Pro Tem Dunkerley's motion, Council Member Leffingwell's second on a 7-0 vote.
- 4. Approve an ordinance authorizing fees, fines, and other charges to be charged by City departments for Fiscal Year 2006-2007, beginning on October 1, 2006, and ending September 30, 2007.
 - Ordinance No. 20060911-004 authorizing fees, fines and other changes to be charges to the fees

charged by various City departments for Fiscal Year 2006-2007, beginning on October 1, 2006 and ending on September 30, 2007 and amending the City Code, including the errata, was approved on Council Member McCracken's motion, Mayor Pro Tem Dunkerley's second on a 7-0 vote with the following amendment:

The motion to amend the Proposed FY 2007 Fee Schedule for the Parks and Recreation Department by reducing slow pitch softball league fees by an amount of \$78 each was approved on Council Member Martinez' motion, Mayor Wynn's second on a 7-0 vote.

- 5. Approve an ordinance to establish classifications and positions in the classified service of the Austin Fire Department and repeal Ordinance No. 20060608-010. Funding is included in the proposed Fire Department Fiscal Year 2006-2007 Operating Budget.
 - Ordinance No. 20060911-005 was approved on Council Member Martinez's motion, Council Member Kim's second on a 7-0 vote.
- 6. Approve an ordinance to establish classifications and number of positions in the classified service of the Austin Police Department and repealing Ordinance No. 20060525-024. Funding is included in the proposed Fiscal Year 2006-2007 Operating Budget for the Police Department.
 - Ordinance No. 20060911-006 was approved on Council Member Cole's motion, Council Member Martinez' second on a 7-0 vote.
- 7. Approve a resolution amending the Personnel Policies by increasing vacation accrual schedules for non-Civil Service employees; modifying policy language to allow for new domestic partner benefits; and adding longevity pay and increasing vacation accrual for peace officers of the Public Safety and Emergency Management Department.
 - Resolution No. 20060911-007 was approved on Council Member Leffingwell's motion, Council Member McCracken's second on a 7-0 vote.
- 8. Approve a resolution declaring the City of Austin's official intent to reimburse itself from the proceeds of November 2000 Proposition 1 General Obligation bonds to be issued in the future for expenditures in the amount of \$6,900,000 related to street improvements; to reimburse itself from the proceeds of Certificates of Obligation to be issued in the future for expenditures in the amount of \$2,500,000 related to Veloway trail improvements; and to reimburse itself from the proceeds of Certificates of Obligation to be issued in the future for expenditures in the amount of \$4,500,000 related to fire station construction. (This resolution is required Pursuant to Section 103 of the Internal Revenue Code, which protects the tax-exempt status of the referenced expenditures.) \$6,900,000 in General Obligation Public Improvement Bonds to be issued in August 2007 or later; \$7,000,000 in tax-supported General Obligation Certificates of Obligation to be issued in August 2007 or later.
 - Resolution No. 20060911-008 was approved on Mayor Pro Tem Dunkerley's motion, Council Member McCracken's second on a 7-0 vote.
- 9. Approve a resolution declaring the City of Austin's official intent to reimburse itself from the proceeds of tax-exempt obligations to be issued through October 2007 for acquisition and construction costs in an aggregate maximum principle amount of \$170,000,000 related to Fiscal Year 2006-2007 Austin Water Utility Capital Improvement Projects.
 - Resolution No. 20060911-009 was approved on Mayor Pro Tem Dunkerley's motion, Council Member McCracken's second on a 7-0 vote.
- 10. Approve a resolution declaring the City of Austin's official intent to reimburse itself from the proceeds of tax-exempt obligations to be issued in the future for acquisition and construction costs in an aggregate maximum principle amount of \$89,101,000 related to electric utility capital improvement projects.
 - Resolution No. 20060911-010 was approved on Mayor Pro Tem Dunkerley's motion, Council Member McCracken's second on a 7-0 vote.

11. Approve a resolution adopting the Austin Convention and Visitors Bureau (ACVB) 2006-2007 Marketing Plan and proposed budget in the amount of \$8,159,156, set the contract payment from the City of Austin to ACVB at \$6,750,040 for the Fiscal Year 2006-2007, approve negotiation and execution of a new agreement between the City of Austin and ACVB for a five-year term beginning October 1, 2006 and ending September 30, 2011, and direct the City Manager to file the approved documents with the City Clerk's office as required by the Texas Tax Code. Funding in the amount of \$6,750,040 is available in the Fiscal Year 2006-2007 Proposed Operating Budget for the Tourism and Promotion Fund. The Fiscal Year 2006-2007 Tourism and Promotion Fund is attached. Funding for the remaining \$1,409,116 of the ACVB budget is available from the sources shown in the attachment.

Resolution No. 20060911-011, was approved on Council Member Kim's motion, Council Member Cole's second on a 7-0 vote.

- 12. Approve the negotiation and execution of a three year Interlocal Agreement with Travis County related to employment of one Forensic Chemist to work in the Austin Police Department's Forensic Science Division on County cases on a priority basis. Beginning in Fiscal Year 2006-2007, the County will pay the City \$88,700 for year-one costs; \$80,050 for year-two costs; and \$80,050 for year-three costs. The motion authorizing the negotiation and execution an interlocal agreement was approved on Council Member Martinez' motion, Council Member Cole's second on a 7-0 vote. The County will pay the City \$88,700 for year-one costs; \$80,050 for year-two costs; and \$80,050 for year-three costs.
- 13. Approve a resolution awarding contracts for Cultural Arts Services for the Fiscal Year 2006-2007. Funding in the amount of \$4,928,427 is available in the Fiscal Year 2006-2007 Proposed Budget for the Cultural Arts Fund for cultural arts contracts; \$28,481 is available in the Fiscal Year 2006-2007 Texas Commission on the Arts Subgranting Program grant for a total of \$4,956,908. Recommended and adopted by the Austin Arts Commission.

Resolution No. 20060911-013 approving contracts for Cultural Arts Services for the Fiscal Year 2006-2007 was approved on Council Member Kim's motion, Council Member Martinez' second on a 7-0 vote.

Mayor Wynn adjourned the Council meeting at 1:10 p.m. without objection.

BOARD OF DIRECTORS MEETING OF MUELLER LOCAL GOVERNMENT CORPORATION.

Mayor Wynn called to order the Board of Director's Meeting of the Mueller Local Government Corporation at 1:11 p.m. See separate minutes.

Mayor Wynn adjourned the Mueller Local Government Corporation meeting at 1:13 p.m. without objection.

BOARD OF DIRECTORS MEETING OF AUSTIN HOUSING FINANCE CORPORATION.

Mayor Wynn called to order the Board of Director's Meeting of the Austin Housing Finance Corporation at 1:13 p.m. See separate minutes.

Mayor Wynn adjourned the AHFC meeting at 1:14 p.m. without objection.

The minutes for the Budget Meeting of September 11, 2006 were approved on this the 28th day of September, 2006 on Council Member McCracken's motion, Council Member Cole's second on a 7-0 vote.